

Introduced by Senator DeSaulnier

February 27, 2009

An act to add Division 10.56 (commencing with Section 11972.10) to the Health and Safety Code, relating to alcohol abuse programs.

LEGISLATIVE COUNSEL'S DIGEST

SB 558, as introduced, DeSaulnier. Alcohol Abuse Treatment Program Fund.

Existing law requires the State Department of Alcohol and Drug Programs to perform various functions and duties with respect to the development and implementation of state and local substance abuse treatment programs.

This bill would, in addition, establish the Alcohol Abuse Treatment Program Fund and would authorize the Department of Alcoholic Beverage Control to assess and collect a fee in an amount not to exceed \$0.05 per drink from every person who is engaged in business in this state and sells alcoholic beverages for resale, as prescribed. The bill would require the fees to be deposited into the fund and would make those moneys available, upon appropriation by the Legislature, exclusively for alcohol abuse programs established pursuant to this bill. The bill would authorize the State Department of Alcohol and Drug Programs to establish, or contract or provide grants for the establishment of, public education, outreach, counseling, case management, and recovery services, related to alcohol abuse.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Division 10.56 (commencing with Section 11972.10) is added to the Health and Safety Code, immediately following Section 11970.45, to read:

DIVISION 10.56. ALCOHOL ABUSE TREATMENT
PROGRAM FUND

11972.10. The Legislature finds and declares all of the following:

(a) Alcohol-related problems cost Californians an estimated \$38.4 billion annually, including costs for alcohol abuse-related crime and illness, incarceration, lost productivity, as well as impacts on the welfare system, trauma and emergency care, and foster care system.

(b) One out of every nine Californians suffers from alcohol addiction, and eight out of every 10 felons sent to state prisons are substance abusers.

(c) There is a clear nexus between alcohol-related problems and the need for substance abuse treatment services.

(d) There are significant benefits of alcohol abuse treatment programs and they are effective. People who complete treatment find employment and pay taxes, lead alcohol abuse-free lives, and become productive members of their communities.

(e) Annually, there are over 220,000 admissions to publicly funded alcohol treatment services.

(f) Alcohol treatment services reunify families, and decrease criminal justice activities and costs.

(g) Effective prevention and treatment services for youth increase school attendance and academic performance.

(h) California prevention services reach 4.3 million people annually.

(i) The State of California can no longer continue to subsidize the costs associated with the consumption of alcoholic beverages within the state.

(j) This act is necessary to combat the adverse effects of alcohol use and abuse.

(k) It is the Intent of the Legislature to impose a regulatory fee pursuant to this division within the limitations approved by the

1 Supreme Court of California in *Sinclair Paint Co. v. State Bd. of*
2 *Equalization* (1997) 15 Cal.4th 866.

3 11972.15. (a) The Department of Alcoholic Beverage Control
4 shall assess and collect a fee in the amount not to exceed five cents
5 (\$0.05) per drink from any person engaged in business in this state
6 as described in Section 6203 of the Revenue and Taxation Code
7 and making sales of alcoholic beverages, where the sale is for the
8 purpose of resale in the regular course of business of the purchaser,
9 except that the fee shall be assessed only at the first point of sale
10 within the state. The amount of the fee shall be sufficient to defray
11 the costs of the Department of Alcoholic Beverage Control and
12 the State Department of Alcohol and Drug Abuse Programs in
13 implementing this division, but not in excess of the amount needed
14 to fully implement this division. The fee shall be based on 1.50
15 ounces of distilled spirits, 12 ounces of beer, and 5 ounces of table
16 wine. The fees shall be collected in the same manner as other fees
17 pursuant to Chapter 3 (commencing with Section 23300) of
18 Division 9 of the Business and Professions Code.

19 (b) All funds collected pursuant to subdivision (a) shall be
20 deposited in the Alcohol Abuse Treatment Program Fund, which
21 is hereby established in the State Treasury.

22 (c) The State Department of Alcohol and Drug Programs and
23 the Department of Alcoholic Beverage Control shall be reimbursed
24 for costs associated with implementing this division from the fund.

25 (d) Fees collected pursuant to this section shall, upon
26 appropriation by the Legislature, be used exclusively for the
27 purposes of funding alcohol abuse treatment programs pursuant
28 to this section, including, but not limited to, the cost of
29 administering this division.

30 (e) The State Department of Alcohol and Drug Programs shall
31 establish, enter into contracts for the establishment of, or provide
32 grants for the establishment of, programs to provide public
33 education, outreach, screening, counseling, case management, and
34 recovery services directly related to alcohol abuse.

35 (f) Any fee imposed pursuant to this division shall be consistent
36 with all applicable legal requirements for imposing fees, including
37 the requirements set forth in *Sinclair Paint Co. v. State Bd. of*
38 *Equalization* (1997) 15 Cal.4th 866.

39 (g) Notwithstanding any provision of law to the contrary,
40 including, but not limited to, this division, the fees generated

- 1 pursuant to this division shall be expended only in a manner that
- 2 is consistent with their status as a regulatory fee pursuant to the
- 3 standards set forth in *Sinclair Paint Co. v. State Bd. of Equalization*.

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